

Before road mileage can be added to the Liquid Fuels system, municipalities must submit two copies of the following documents to their PennDOT district:

- 1) Deed of dedication of road or street
- 2) Plot plan or a survey showing the exact location of the road or street
- 3) Ordinance or resolution enacted by the municipality's governing body accepting the road or street. This document must contain the name of the road or street, beginning and ending points, length to the nearest one-hundredth mile or linear foot, and right-of-way and cartway widths

For boroughs, cities and for townships of the first class, a duly-enacted ordinance is required. For townships of the second class, a duly-enacted resolution and accompanying plot plan or survey must be filed at the appropriate county court. Proof of this recording must be provided to the appropriate PennDOT district office. The County Prothonotary or County Clerk of Court seal along with the road docket book page number must be shown on the ordinance or resolution that has been enacted.

For more information about the Liquid Fuels Tax Act or to get a free copy of PennDOT Publication #9, municipal officials should contact their PennDOT district municipal services representative.

To schedule a financial consultation with a Center for Program Development and Management Financial Consultant, free of charge, please call (717) 214-6161. These consultants provide services such as:

- Assisting with the preparation of year end reports and other forms
- Interpreting policy and regulations
- Identifying opportunities for cooperative purchasing arrangements
- Provide one-on-one training for municipal employees on the completion of Liquid Fuels forms
- Ensure compliance on the use of Liquid Fuels funds, procedures, statues, and regulations
- Provide group training on the electronic submission of Liquid Fuels forms, form completion, record keeping requirements, and the acceptable use of Liquid Fuels monies



District Municipal Services Units

- DISTRICT 1:** (814) 678-7142
- DISTRICT 2:** (814) 765-0408
- DISTRICT 3:** (570) 368-4239
- DISTRICT 4:** (570) 963-4117
- DISTRICT 5:** (610) 871-4151
- DISTRICT 6:** (610) 205-6541
- DISTRICT 8:** (717) 787-4839
- DISTRICT 9:** (814) 696-7221
- DISTRICT 10:** (724) 357-2827
- DISTRICT 11:** (412) 429-4809
- DISTRICT 12:** (724) 439-7270

Central Office
Center for Program Development and Management
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pennsylvania
 DEPARTMENT OF TRANSPORTATION
 PUB 369 (6-15)



THE DO'S AND DON'TS OF MUNICIPAL LIQUID FUELS FUNDS

*Courtesy of
 Your District Municipal Services Representative and the
 Center for Program Development and Management*

HOW TO SPEND LIQUID FUELS FUND PAYMENTS PROPERLY

On the first business day in March, eligible municipalities throughout the Commonwealth receive their yearly Liquid Fuels Tax Fund allocation from PennDOT in time to begin their seasonal road maintenance and construction projects. The following information is intended to help make sure that municipalities (other than counties) expend these funds properly.

ALLOCATION FORMULA

Liquid Fuels funds allocations to municipalities other than counties consist of the following:

- 20% of 95.83% of the milage schedule as per Act 89 (Section 9511(d) of the Vehicle Code) PLUS
- 20% of 35 mils of the Oil Company Franchise Tax (Section 9511(c) of the Vehicle Code) PLUS
- \$5,000,000 (Act 68 of 1980) as per Section 9301 of the Vehicle Code PLUS
- 12% of 55 mils of the Act 26 Oil Company Franchise Tax PLUS
- 12% of 38.5 mils of the Act 3 Oil Company Franchise Tax PLUS
- \$30,000,000 as per Section 9301(c) of the Vehicle Code

Liquid Fuels funds payments to individual municipalities are distributed based on the following formula:

- 50 percent on Liquid Fuels eligible mileage
- 50 percent on population using the latest official census figures

PERMISSIBLE

MUNICIPALITIES may use Liquid Fuels funds for the following:

- Maintenance, repair, construction or reconstruction of public roads, streets, alleys, courts, and ways, including bridges, culverts and drainage structures, for which municipalities are legally responsible
- Road materials for the maintenance, repair, construction or reconstruction of public roads, streets, alleys, courts, and ways for which they are legally responsible
- Payment of approved Pennsylvania Infrastructure Bank (PIB) Loans including financing expenses with project approval
- Purchase, maintenance and repair of traffic control devices such as signs and signal devices
- Payment of road employee wages for working on the municipality's roads, structures, and road equipment
- Construction of approved salt storage facilities used only to store salt
- Purchase of safety equipment and protective clothing
- Maintenance, repair, construction, or reconstruction of ADA curbs ramps or curb cuts for access by individuals with disabilities
- 20 percent limit on new equipment purchases and year-to-year carryover ability

- Repair of all road equipment used in the municipality's road repair and maintenance program
- Purchase of computer hardware, software and related training, up to \$1,000 per year
- Purchase of materials and equipment from state contracts, Councils of Government or through other purchasing consortia

NON-PERMISSIBLE

MUNICIPALITIES may not use their Liquid Fuels funds for any of the following:

- Purchases made in violation of the Pennsylvania Municipal Code
- Purchase of rights-of-way
- Work on private roads or streets
- Construction projects done without prior PennDOT district office approval
- Construction, maintenance or repair of a general-purpose, administration or maintenance building
- Heating oil and other building utilities
- Work on sanitary sewers, water lines, parks, playgrounds, municipal buildings, police or fire departments, charitable or civic projects, or garbage or trash pickup
- Street lighting that is separately taxed or assessed
- Gasoline in private vehicles or vehicles of other departments
- Insurance— property, liability, casualty or fiduciary
- Undocumented payrolls or payrolls that do not clearly identify the nature and location of work
- Meeting pay
- Retainers for engineers, attorneys, etc.
- Apparel, except when required by an employment agreement
- Administrative expenses such as office supplies, furniture and telephones
- Retroactive expenditures or repayment of other funds for prior-period expenditures
- Road-related training

This list is only a guideline and should not be interpreted as all-inclusive. PennDOT's Publication #9 "*Policies and Procedures for the Administration of the Liquid Fuels Tax Act 655*" provides more information on spending Liquid Fuels funds properly.

REQUIRED ANNUAL REPORTING

- PennDOT Form MS-965 due Jan 31st
 - Sign up for our free [dotGrants](#) online reporting system (contact your local MS Rep or Financial Consultant)
- DCED's Report of Elected and Appointed Officials Report due Jan. 31st of each year
- DCED's Survey of Financial Condition due March 15th of each year (however to ensure prompt payment of your annual liquid fuels allocation we recommend submitting all reports by Jan 31st)

QUALIFYING NEW ROADS

Municipalities may increase the Liquid Fuels funds they receive from PennDOT when municipal road mileage increases. The roadway additions must first meet several eligibility requirements before they can be included in the program.

To qualify new road mileage for additional Liquid Fuels fund credit, municipalities must first notify their PennDOT district office of the increase. PennDOT will then review the request, and a Municipal Services representative will verify that the road addition qualifies for Liquid Fuels funding and complete all appropriate PennDOT forms.

PennDOT uses the following criteria to qualify a road for funding. See Publication #9 to make distinction between the requirements for town, townships, boroughs and cities.

The road or street:

- Must have the capacity to be traveled safely at 15 mph
- Must have a minimum right-of-way of 33 feet for townships, 16 feet for boroughs and cities and a minimum 16 feet cartway width (the cartway is the traveled portion of the roadway, not including the shoulder)
- Must have a minimum length of 250 feet
- Must be connected to an existing Liquid Fuels road or state highway
- Cul-de-sacs must have a minimum 40 foot radius
- Must be either a type-10 road, an unimproved road, a prepared earth road, a type-20 road, a hard surface road, a prepared earth road with a stabilized base, or a type-30 road constructed with prepared earth and stabilized based with a bituminous or concrete surface